

FILM PRODUCTION TAX CREDIT PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

Provide tax incentives to facilitate film production in Missouri.

AUTHORIZATION

Sections 135.750, RSMo

HOW THE PROGRAM WORKS

State tax credits are issued to a qualified film production company for up to 50% of the amount expended in Missouri for production or production-related activities. A film production company claiming the credit must have first pre-applied to the Department of Economic Development.

ELIGIBLE AREAS

Statewide.

ELIGIBLE APPLICANTS

Any film production company with an expected in-state expenditure budget in excess of \$300,000.

ELIGIBLE USE OF TAX CREDITS

This tax credit can be applied to:

- ✓ Ch. 143 – Income tax, excluding withholding tax
- ✓ Ch. 148 – Bank Tax, Insurance Premium Tax, Other Financial Institution Tax

This credit's special attributes:

- ✓ Carry forward 5 years
- ✓ Sellable or transferable

ELIGIBLE EXPENDITURES

Only those Missouri expenditures necessary for the production of the film are eligible. Such expenditures may include, but are not limited to, the costs of labor (Missouri residents only), services, materials, equipment rental, lodging, food, location fees and property rental.

APPLICATION PROCEDURE

Because there is a finite amount of tax credits available, DED has established a procedure whereby tax credits may be set aside for a given film project by the submission of a pre-application form that

provides estimates for the company's Missouri expenditures on the project. Based upon these estimates and any other relevant information, DED may reserve a given amount of tax credits for the project (for a given period of time). If it appears at any time that a project may be significantly delayed, then DED may review the project and, if warranted, reclaim those reserved credits, and apply them elsewhere.

In the pre-application form, DED will ask for estimates of the amount of money to be spent in Missouri, as well as projected dates for establishing the production office and the first day of principal photography. These dates will be used in determining the length of time for which tax credits may be reserved for the project, as well as the likelihood that the project will actually be produced in Missouri.

FUNDING LIMITS

The tax credits certified may not exceed \$1 million per taxpayer per calendar year. The entire film production tax credit program is capped at \$1.5 million.

CONTACT

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ADDITIONAL RESOURCES

Visit the department's home page at www.missouridevelopment.org to obtain a wealth of information regarding Missouri's many other economic development programs and policies.